PROJECT MANAGEMENT: PEOPLE OR PROCESSES?

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Abstract

In attempt to increase organisational performance in terms of project completion, some project companies place emphasis on the development and implementation of process protocol and best practice strategies. However, others are of the argument that successful project management is more of the project manager's leadership and interpersonal skills than the techniques and tools to be applied. This study identifies the problem of project failure as a result of ineffectiveness and incompetency in the use of human resource. Consequently, the thrust of this study is to investigate Project Management in terms of People and Processes. The major objective of this study is to determine the extent to which human factors such as interpersonal and leadership skills affect project performance. With the aid of the Yameni's statistical formula, a sample size of 142 respondents was gathered from construction companies in Warri and Effurun metropolis of Delta State, and data generated were analysed using simple percentage distribution on a five point Likert scale and t-test statistical technique. The result indicates that human factors such leadership skills affect project performance, mismanagement of resources affect project performance, It was found out that successful project management depends more on people than process. That is, Project Management is more of People. Based on the findings, this study concludes that People cannot be overemphasized in project Management. In other words, Project Management is more of People than Processes, despite the fact that the two are important. The human factor is a very crucial element in achieving the organisational objective. On the other hand, process cannot manage people, but people do manage process. This alone gives people superiority to processes in project management. Based on the findings, this study recommends that management should pay more attention to the human side of the enterprise; especially in project management. Key areas in managing people such as motivation and good leadership skill should form part of organisational culture. Finally, project managers should not deviate from approved procedure or processes to ensure successful project execution.

Keywords: Project management, People, Process

Introduction

Most companies fail in project execution. Failure in business amounts to a huge financial loss, and it has a negative effect on the company, society, and the economy. According to Nagarajan (2012: 2), "Every person, organisation and every nation is concerned with project management". This is because the testimony of infrastructural development depends on the successful execution of projects. In attempt to increase organisational performance, some project companies place emphasis on the development and implementation of process protocol and best practice strategies. However, others are of the argument that successful project management is more of the project manager's leadership and interpersonal skills than the techniques and tools to be applied. Project

Management Institute (PMI) as quoted by Nagaranjan (2012:1) defines project as, "a temporary endeavour undertaken to create a unique product or services. In the practical sense, project involves the building of houses, performing of marriages, establishment of factory, building of schools/ institutions and churches, construction and building of highways, dams, terminal power plants, airports etc. by the government, individuals or corporate bodies. The successful completion of a project is a matter of good project management which involves working within the prescribed budget, quality and time. Project Management Institute as quoted by Schwalbe (2007: 10), defines Project Management as "the application of knowledge, skills, tools and techniques to project activities to meet project requirements"

Organisation is made up of Structure and Design, Technology, Physical setting, and People. In all of these, the human side cannot be overemphasised because; structure and design, technology, and physical setting are the brain work of the people who made up the organisation. In view of this, Forte (1986:122) posits that:

The human aspect in a business is vital: you can keep drawing squares and lines, but within these squares you must have people and they must be deeply involved with the business. If this does not happen, then the lines and squares and the diagrams mean nothing.

On the other hand, to be efficient and effective for optimal performance, people that make up the organisation would need to organise the other side of the enterprise which includes technology, physical setting, etc. in a process known as Project Management Process, which according to Ward (2000: 169) is, "a series of actions that describe and organise the work of

the project." In this regard, Thomas Carlyle as quoted by Scwalbe (2007:13) states that, "man is a tool-using animal. Without tools he is nothing, with tool he is all". According to Mullins (2010:726), "The successful implementation of new work methods and practices is dependent upon the willing and effective co-operation of staff, managerial colleagues and unions." Furthermore he writes that, people are the key factor in successful management.

Statement of the Problem

This research seeks to address the problem of managing the work force and processes involved in successful execution of projects. Some Project Managers lack the ability and the competent skills to make effective use of the people involved in executing the project. These problems include leadership and interpersonal skills of the project manager which negatively affect organisational performance.

There is also the problem of poor financial management skills, which can lead to mismanagement of the project resources. Specifically, most project managers fail in the area of project cost management. This involves the preparation and management of the project budget. From the onset, the financial analyst or expert should be able to ascertain through analytical methods, the viability of the project before embarking on it. However , it is surprising that despite the financial viability of a project , project companies still run into huge loss or fail to complete project as at when due, as a result of misappropriation of project fund resulting from the failure in financial management. This equally is a human problem.

Finally, there is the problem of managing the project management process. This involves

the ability to initiate, plan, execute, monitor and control, and close the project. All of the above give credence to the problems associated with the human factor in project management.

Objectives of Study
The main objective of this study is to ascertain what determines the success of project management; people or processes? Consequently, the following are the specific objectives formulated for this study:
1.   To find out the extent to which human factors such as leadership skills affect project performance.
2.   To ascertain the extent to which mismanagement of resources affect project performance.
3.   To determine the extent to which people determine project success more than project management processes.

Hypotheses
The hypotheses below are formulated for this study:
Ha$_1$: Human factors such as leadership skills significantly affect project performance
Ha$_2$: Mismanagement of resources significantly affects project performance.
Ha$_3$: Human factor affect project success more than project management process.

Review Of Related Literature
Conceptual Framework
Projects as a matter of fact consume resources, which in turn are a source of revenue, and consequently, a backbone of any economy as it leads to development. The success or failure of a project depends on its management. Project management involves people and process. In terms of people, a successful project execution requires a team work. A project is said to be successful when profitability objective is achieved. That is, if it provides satisfactory return on the investment of the sponsor(s). Other measures of a successful project is the ability of the project to satisfy the customer in terms of post project reaction, and finally, timely completion and cost goals of the project. Therefore, Project Management according to Nagarajan (2012: 6), is "the management of projects, which are temporary, non-routine, one time endeavours undertaken for producing a definite product or offering a unique service". Project Management according to Desai (2000: 223) is, "a branch of management capable of differentiation from others based on a variety of factors which include the organisational structure, the process of planning and control and human relation etc." As evidenced from the above assertion of Desai, it is obvious that project management among others is a combination of process and people (human relation).

The issue of people in Project Management is centred on human resources management. The achievement of organizational goal depends on the availability of the human resource in the right kind and place, and good management.

Phases of Project Management
Project Management is in phases. Therefore, the successful management of project considers various phases that begins with Identification, and proceed to Formulation, Appraisal, Selection, Implementation, and finally, Management, as illustrated by Desai (2000:224) in the figure below;

2.1. Phases of a Project Management
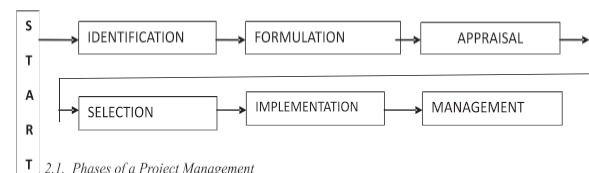
Source: Desai, V. (2000:224); Dynamics of Entrepreneurial Development and Management. New Delhi: Himlalaya Publishing House.

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I.   Identification:

This involves the ability of the entrepreneur to ascertain correctly a potential project. According to Desai (2000:224), "project identification is concerned with collection, compilation and analysis of economic data for the eventual purpose of locating possible opportunities for investment and with the development of such opportunities." In order words, to avoid the risk of project failure, and to attain a new height through potential project, it is absolutely important to view critically the legal, economic and other aspects or implications of the project which may negatively affect the project on the long run especially in the area of return.

ii.   Formulation:

In assigning priority to projects, project organisations first of all make a comparison of different available projects, and consequently make a choice of project to be implemented based on the available resources. In view of this, Desai (2000: 236) posits that:

Project formulation is, therefore, a process whereby the entrepreneur makes an objective and independent assessment of the various aspects of an investment proposition of a project idea for determining its total impact and also its liability. By all means, this strategy forms an important stage in the pre-investment phase- that is the period from the conception of an idea until the final analysis to decide about the future of a project idea.

The purpose of project formulation is to achieve the project objective of minimising expenditure for organisational performance through profitability.

iii.   Appraisal:

The viability of a project is judged after a complete scanning. This involves economic, social and financial assessment or appraisal by a lending financial institution. Nagarajan(2012: 76), defines Project Appraisal as " a process of detailed examination of several aspects of a given project   before recommending the same".   The author went further that "the institution is going to fund the project has to satisfy itself before providing financial assistance for the project" This implies that implies that financial institutions do not pay attention to unviable project. Consequently, appraisal of a project takes into cognizance the assessment of break-even point, and profitability.

iv.   Selection:

This is a process whereby, projects are screened after proper analysis for adoption. In this case projects are rationally selected on the basis of organisational objective.

v.   Implementation:

This is the project phase whereby, the decision taken on the project is executed accordingly. In other words, the project plan is completed through the performance of the activities described in the project. According to Desai (2000:224), implementation requires expeditious completion within the allocated resources.

vi.   Management:

The management phase emphasises total control during conception, midwifing, and delivery. This phase takes into cognizance the definition of the objective of the project, allocation of resources, and execution of the project to specification. Desai (2000:225) listed the following basic tenets of managing projects of all dimensions:

1.   Define the objective of the project.

2.   Determine the constituent task

3.   Identify important milestones
4.   Allocate resources to each task
5.   Re-evaluate task relationships and scheduling, pinpointing resource conflicts.
6.   Execute the project.

The Management of People or Human Resource

The human resource of an organisation is made up of its employees that contribute their quota to the achievement of the organisational goal. In every organisation, people as one of the organisation resources are very difficult to manage. According to Douglas, (2003:34), "Indeed, it is an accepted truism that some people who are truly gifted from a scientific and technical point of view find their career progress checked by their fundamental difficulties with managing people…". Generally, the management of people or man is known as Human Resource Management. Hence, Fisher et al. (2003:7) state that, Human Resource Management (HRM) involves "all management decisions and practices that directly affect or influence the people, or human resource, who work for the organisation" Again, Slater (2001:13), argues that, "…freed from many routine tasks, the Human Resource department will be able to devote more time to adding value to the business" Without people at work, the organisation is useless. The achievement of organisational goal depends on the ability of people in the organisation to pull their resources in terms of creative skills, knowledge or mental resource together. Torrington et al. (2008:25), define Human Resource Management as "a series of activities which: first enables working people and the organisation which uses their skills to agree about the objectives and nature of their working relationship, and secondly, ensure that the agreement is fulfilled."

According to Hall and Goodale as quoted by Peretomode and Peretomode (2000:3), Human Resources Management is, "The process of bringing people and organization together so that the goals of each are met." This has to do with the manager's ability to plan, build, and coordinate the work-force. Man is the most complex of all the resources in the organization. Man is, by far, the most unpredictable, the most erratic or unreliable and difficult to manage. To get the best out of the human element in terms of his performance, it is imperative to psychologically understand man's needs, expectations and aspirations. According to Maslow, man consists of a bundle of needs. To manage men effectively, the project manager must know what motivational stimuli would propel the workers into desired behaviour. Effective management of man calls for motivation and good leadership skills. For effective management of people, Mullins (2010:493) contends that:

The efficiency and performance of staff, and their commitment to the objectives of the organisation, are fostered by good human relationships at work. This demands that proper attention be given to human resources management and harmonious employee relations. The manager needs to understand the importance of good managerial practices and how to make the best use of people resource. The promotion of good human relations is an integral part of the process of management and improved organisational performance.

Effective management of people in the organisation for optimal performance involves the establishment and management of a good team.

Project Team Management

For successful project execution, it is imperative to secure a project team. This according to Scwalbe (2007:361) involves, "Getting the needed personnel assigned to and working on the project." When a project team has been established, it is developed with the appropriate skills and managed to enhance project performance. The author goes further to define project team management to involve, "Tracking team members' performance, motivating team members, providing timely feedback, resolving issues and conflicts, and coordinating changes to help enhance project performance." It is also important to emphasize cooperation among team members so as to avoid working at a cross purpose. Team-working cannot be effective without the leadership skills of the team leader or manager as the case may be. On team cooperation, Crainer as quoted by Mullins (2010:342), states that:

The various behaviours of the team members must mesh together in order to achieve objective. For people to work successfully in teams, you need people to behave in certain ways. You need some people to concentrate on the task at hand (doers). You need some people to provide specialist knowledge (knowers) and some to solve problems as they arise (solvers). You need some people to make sure that it is going as well as it can and that the whole team is contributing fully (checkers). And you need some people to make sure that the team is operating as a cohesive social unit (carers).

Tools and Techniques for Managing Project Teams

Scwalbe (2007:393) listed the following tools and Techniques for managing project teams:

1. Observation and Conversation: This involves "management by walking around." That is, project manager moves around to see the performance of the team member and thereafter chat with them issues relating to the project.

2. Project Performance Appraisal: According to Shellabear (2005:48), "a performance management system has the potential to develop your people and significantly increase business results…" Here, the project manager assesses the performance of the workforce to ensure that there are no deviations, and if any, corrective measures are taken.

3. Conflict Management: Conflict is unavoidable in almost every human endeavour. In other words, it is nearly impossible for project to be completed without conflicts. Conflict may arises from among team members as a result of individual differences, exposure, experience and knowledge. However, the most important issue is the ability of the project manager to manage it to the advantage of the organisation.

4. Issue Logs: This relates to the inability of the project manager to settle issues that need to be resolved for the effectiveness of the team. This comprises of resolving individual differences and opinion, clarification and investigation of issues that may negatively affect the project execution. Therefore, for effective management of the team and project, the project manager should clear all back logs or assign someone to handle important these issues for optimal performance.

Project Management Process

According to Scwalbe (2007:80), project can be viewed as a number of related processes. She went further to define a process as "A

series of actions directed toward a particular result." In other words, effective management of project involves a process which is directed towards effective management especially, the constraints of project management. That is, time, scope, and cost, among others. Every process of project management should put into cognizance these constraints for project success. In view of this, Scwalbe(2007:78) again, succinctly writes that:

Project management consists of nine knowledge areas: integration, scope, time, cost, quality, human resources, communications, risk, and procurement. Another important concept to understand is that projects involves five project management process groups; initiating, planning, executing, monitoring and controlling, and closing. Tailoring these process groups to meet individual project needs increases the chance of success in managing projects.

Project management is basically about total control for optimal performance. Consequently, the essence of project management process is to ensure that the objectives of the organisation are met by avoiding failure. In his own contribution, Desai(2000:225), categorised project management process into operational, additional and technical.

The project management process group is a series of activities that begins progressively from initiation, to planning, and thereafter to executing, monitoring and controlling and finally, closing activities.

Initiating Processes: At the initiation stage, the project and the business need are defined and authority is given for the commencement of the project with an individual taking the role of the project manager. In ending a project, the initiation process also comes in, as someone must initiate the activities to end it.

Planning Processes: This is an advance decision on workable scheme made to actualise the project and organisation's needs. This includes the schedule management plan, scope management pan, cost management plan and schedule management plan. In the planning process, the project team designs a plan that determine what to be done and schedule activities that should follow to achieve the project's needs.

Executing Processes: This has to do with the implementation of the project plan using human, material and financial resources to accomplish the project plan. It also includes the use of information to manage the project team and maintaining the prescribed quality.

Monitoring and Controlling Processes: In this process, project managers monitor and control project activities to avoid deviations from required standard in other to achieve project objectives. Here, progress are monitored and measured against plan, and corrective actions are taken when necessary.

Closing Processes: According to Schwalbe(2007:114), the closing process involves

Gaining stakeholders and customers' acceptance of the final products and services and bringing the project, or project phase, to an orderly end. It includes verifying that all of the deliverables are complete, it often includes a final presentation

When a project is completed, it is either accepted or rejected. In other words, it is rejected when it fails to meet the required objective or standard, but otherwise accepted if reverse is the case. On acceptance of project, it is formalised through commissioning when necessary or delivered. When a project is

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accepted, it is documented and filed in the company's archive, taking into cognizance lessons learned therefrom, and thus closed administratively.

Methodological Approach

The questionnaire survey method was used for this study. The population of this study was made up of project companies in Delta State. However, the project companies in Warri and Effurun metropolis were used. The population of this study consists of 220. Data for the study were collected from primary and secondary sources. With the application of Yameni's (1964) statistical distribution formula the study used a sample size of 142. The questionnaires received were analysed using simple percentage distribution on a five-point Likert. The Taro Yameni's formula is given below:

$$n = \frac{N}{1+ N(e)^2}$$

Where n= sample size

e= level of significance

N= Population size

Therefore, N= 220 , e = (0.05) level of significance.

$$n = \frac{220}{1+ 220(0.05)^2}$$

$$n = \frac{220}{221(0.0025)}$$

$$n = \frac{220}{1.5525}$$

$$n = 141.7$$

$$= 142$$

The table above indicates that 80 respondents representing 56% strongly agree that human factors such as leadership skills affect project performance, while 22 respondents representing 16% agrees, the remaining 40 respondents representing 28% disagree.

Table 1.1: Human factors such as leadership skills significantly affect project performance.

Variables	Response	% of Response
Strongly Agree	80	56
Agree	22	16
Disagree	40	28
Strongly Disagree	-	-
Total	142	100

Source: Field Survey, 2016

Table 1.2: Mismanagement of resources significantly affects project performance

Variables	Response	% of Response
Strongly Agree	82	58
Agree	20	14
Disagree	40	28
Strongly disagree	-	-
Total	142	100

Source: Field Survey, 2016

Data Presentation and Analysis

This study gathered data through the instrument of questionnaire, and were presented in a tabular form on a population of one hundred and forty two (142) respondents. The t-test statistical technique was used to test the hypotheses. The analysis and presentation of results were organised around the formulated hypotheses, thus:

Again, the table above indicates that 82 respondents representing 58% strongly agree that poor financial management skills and mismanagement of resources affect project performance, while 20 respondents representing 14% agree to the same assertion; the remaining 40 respondents representing 28% disagree.

Table 1.3: Human factors significantly affect project success more than project management process

Variables	Response	% of Response
Strongly Agree	76	54
Agree	20	14
Disagree	46	32
Strongly disagree	-	
Total	142	100

Source: Field Survey, 2016

Finally, the table above indicates that 76 respondents representing 54% strongly agree that project management processes determine project success more than people. 20 respondents representing 14% agree to the same assertion while the remaining 46 respondents representing 32% disagree.

Hypotheses Testing

Ha_1: To a high extent human factor such as leadership skills affect project performance.

In testing hypothesis one, response given by respondents as shown in table 3.1 was use to test this hypothesis and the T-test statistical technique was use for this test.

Table 1:4 t-test analysis on leadership skill and project performance.

Participants	N	SD	Df	t-cal	t-crit	Level of sig	Decision
Leadership skills	142	3.36 1.11					Significant
			140	3.063	1.98	P<0.05	
Project Performance	142	4.35 1.10					

Significant Level (P-value < 0.05); Fieldwork, 2016.

The test of hypothesis one shows that cal t value of 3.063 was higher than the crit t value of 1.98 with a probability value lesser than 0.05 shows that leadership skills significantly affect project performance in the organisation.

Ha_2: To a high extent mismanagement of resources affect project performance.
In testing hypothesis two, response given by respondents as shown in table 3.2 was use to test this hypothesis and the T-test statistical technique was use for this test.

Table 1.5: t-test analysis on Mismanagement of resources and project performance

Participants	N	SD	Df	t-cal	t-crit	Level of sig	Decision
Mismanagement of resources	142	4.35 1.91					Significant
			140	3.12	1.98	P<0.05	
Project Performance	142	3.37 1.92					

Significant Level (P-value < 0.05); Field work, 2016.

In the above table, the test of the hypothesis shows that the cal t value of 3.12 was higher than the crit t value of 1.98 and with the probability value less than 0.05 reveals that the level of mismanagement of organizational resources affect project performance of the organization.

Ha_3: Human factor affect project success more than project management process.
In testing hypothesis three, response given by respondents as shown in table 3.3 was use to test this hypothesis and the T-test statistical technique was use for this test.

Table 1.6: t-test analysis on Human factor effect project success and project management process.

Participants	N	SD	Df	t-cal	t-crit	Level of sig	Decision
Project Significant Success	142	4.35 1.91					
			140	4.19	1.98	P<0.05	
Project Management Process	142	4.68 1.21					

Significant Level (P-value < 0.05); Field work, 2016.

In the above table the test of the hypothesis shows that the cal t value of 4.19 was higher than the crit t value of 1.98 and with the probability value less than 0.05 reveals that human factor affect project success more than project management process.

Discussion of Findings
The following findings emerged from the data analysed above:

I. Human factors such as interpersonal and leadership skills affect project performance. The above finding

emanated from the result of table 3.1 for having a positive response of 58% and 16% making a total of 72%., and the t-test statistical technique that was used for this test which indicated cal t value of 3.063 which is higher than the crit. t value of 1.98.

ii. Also, it was found out that mismanagement of resources affect project performance. This is as a result of the analysis of table 3.2 above which favours the above assertion with a total of 72% positive response. Finally, with 68% positive response, and the result of the t-test that has cal t value of 3.12 higher than the crit t value of 1.98

iii. It was found out that successful project management depends more on people than process. This indicates that the human resource plays a vital role in successful project management. In support of the above findings, Schwalbe (2007: 355) asserts that, "People are the most important asset. People determine the success and failure of organisations and project. Most project managers agree that managing human resource effectively is one of the toughest challenges they face." Again, according to Lynch as quoted by Mullins (2010: 502) states that "For most organisations, people are vital resource. There are some industries where people are not just important but are the key factor for successful performance"

Conclusion

With the findings above, it thus emerged that People cannot be overemphasized in project Management. In other words, Project Management is more of People than Processes. The human factor is a very crucial element in achieving the organisational objective. On the other hand, process cannot manage people, but people do manage process. This alone gives people superiority to processes in project management.

Recommendations

Considering the above conclusions, it is hereby recommended that:

1. Management should pay more attention to the human side of an enterprise, especially in project management. Key areas in managing people such as motivation and good leadership skill should be part of organisational culture, which invariably gives way for optimal performance.

2. Finally, Due and approved process should be followed religiously in project execution to avoid project failure.

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